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DD/A 81-2601/5

18 DEC 1981

MEMORANDUM FOR: Director, Office of Policy and Planning

25X1 ATTENTION:

[Redacted]

DD/A REGISTRY
FILE: 84

FROM:

Harry E. Fitzwater
Deputy Director for Administration

SUBJECT:

DCI's Annual Report to Congress

25X1 REFERENCE:

Multi Adse Memo from D/OPP, dtd 7 Dec 81, same Subject

[Redacted]

Forwarded herewith is our submission in response to reference.

/s/ William N. Hart

for Harry E. Fitzwater

Attachment

Distribution:

- 0 - Adse w/att
- 1 - DDA Subject w/att
- 1 - DDA Chrono w/att
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- 1 - EO Chrono w/att

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Directorate of Administration
Annual Report to Congress Submission

DDA 1981 Overview

In spite of austere resources, the Directorate continued to provide timely administrative support, in most areas, to Agency components. Serious personnel shortages in several key areas, particularly communications, persisted throughout much of the year. The need for recapitalization in the areas of communications, logistics, training, and security continued to be most evident during 1981, which reinforces the budgetary initiatives undertaken in these areas. The pressures for expanded support were felt throughout the year. The increasing security threat to our people and facilities overseas presented a rash of problems. Growing demands for automated data processing support continued. Enhanced training in a variety of skills was very much in demand, especially in the areas of language, operational, and analytical training. Critical space requirements consumed much time and effort on the part of Directorate personnel. And continued pressures to meet the requirements of the Privacy Act and FOIA absorbed substantial resources.

I. PERFORMANCE HIGHLIGHTS IN 1981

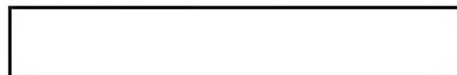
General

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During 1981 the Office of the Information Handling Systems Architect was established as a staff function in the Directorate of Administration. The Office has been staffed, a charter approved, and planning/implementing functions are

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under way. Among these functions were the initiation of several projects defining the existing architecture of information handling systems in the Agency, the establishment of a milestone management review system applicable to all information handling concerns in the Agency, and the beginning stages of the Agency's first strategic plan for information handling systems (to be completed in one year).

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Data Processing

A major part of the effort and attention of the Office of Data Processing (ODP) has been focused on improving the productivity of the ODP user community. During 1981 productivity measurements indicated that ODP systems did indeed achieve this goal. In addition, a variety of new computer systems and services were implemented during the year. While support for ongoing programs continued, ODP was heavily involved in the development of SAFE, the upgrading of CAMS, TADS, etc. Because of budgetary constraints on the acquisition of terminals, user requirements could not be fully met. Also, a backlog of user requirements for applications software development was not met because of a shortage of applications programmers. This shortage in applications programmers is the result of an eight-year freeze on increasing their numbers in ODP and the fact that those on board are heavily involved in maintaining an expanding portfolio of developed applications systems. Relief will be realized in this area if ODP is successful in gaining the new positions requested in the FY-1983 program.

Logistics

During the past year, the Office of Logistics continued to provide the full range of logistical services responsive to Agencywide requirements. Such services included printing and photography, centralized procurement, transportation, mail and courier support, and general housekeeping activities. While

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the General Services Administration (GSA) is directly responsible for the latter, it has historically not been responsive to the Agency's needs in this area. During 1981, however, consummating years of negotiations, GSA has delegated several of its authorities to the Agency in terms of leasing space and the operation, maintenance, and construction at []

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In conjunction with the Directorate of Operations, the Office of Logistics has increased inventories of strategic reserve stocks maintained at the [] [] this program is expected to grow in response to the Agency's increasing role in covert action/paramilitary activities. Other significant accomplishments during the past year include the completion of the architectural design and engineering phase of the planned expansion of [] the preliminary work completed by the Building Planning Staff with regard to a proposed new building on the Headquarters compound; and the improved responsiveness and efficiency in printing and photography by the acquisition of automated equipment.

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Security

Personnel security and integrity of both staff employees and industrial contractor personnel received continued strong emphasis during 1981. The Probationary Employee Screening Program and the Five-Year Reinvestigation/Repolygraph Program continued to pay dividends in terms of ensuring a healthy security posture. During the past year over [] industrial contractor personnel were subjects of background investigations; over [] polygraph interviews were conducted with contractor employees; and security audits were conducted at [] industrial and government sites where sensitive compartmented information is maintained. Standard Agency security practice includes periodic audio countermeasures (ACM) inspections at our facilities. Accordingly, over [] inspections were conducted at installations [] during 1981. Another area of concern is the physical protection of our people and facilities abroad. An integral part of this effort involves visits by physical, technical, and personnel security specialists. This program, though hit hard by the substantial increase in travel costs, must continue as one of our high priority efforts.

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The increasing complexities and challenges in the intelligence security field are shared by other members of the Intelligence Community. Security of installations abroad, computer security concerns, and personnel security processing problems are, for the most part, shared by the intelligence agencies. The Office of Security is very much involved in a host of Community-wide efforts, including [] the implementation of the Community-wide Computer-assisted Compartmentation Control System (4C). The increasing demands regarding security cannot be met with the limited resources available unless interagency cooperation becomes part of our daily routine.

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Training

During 1981 the demand for and participation in training programs reached new highs. There were 98 different courses of instruction offered 359 times, excluding language training. In addition, we had over 5,000 enrollments in external training. The past year has witnessed the beginning of what we believe will become strong, mature programs in two particular areas: the growth and development of analysis training and the professional development program. The dramatic increase in operational and paramilitary training has placed extremely heavy demands on the staff and facilities of the Office of Training and Education (OTE). The steady influx of career trainees, most of whom are DDO-bound, will continue to place additional burdens on OTE's resources as well as the need for tutorial tradecraft instruction of agents, nonofficial cover officers, foreign liaison personnel, etc. The decline in the Agency's language skills has also had a substantial effect on training resources. We are now providing language instruction to more students than ever before. The [redacted] is operating beyond its capacity, and the use of Agency [redacted] has been extremely heavy. In order to keep pace with the increasing training requirements, we must upgrade our present facilities, provide for an increase in classroom space, and increase the number of instructors.

Support Services

A significant effort was expended by the Office of Medical Services (OMS) in Project [redacted]. This program, which provides for extensive first-aid self-help equipment and training to assist employees in handling medical emergencies abroad when professional medical assistance is not available, represents the combined efforts of OMS, the Department of State, and other foreign affairs agencies. OMS' Center for Counterterrorism and Crisis Response continued to play a key role in providing guidance regarding the released Iranian hostages. Computer-assisted programs have been utilized extensively in aiding the medical services provided to Agency employees. During 1981, psychological and psychiatric programs have been fully exploited in the area of testing and [redacted]

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The Office of Information Services (OIS) played an instrumental role in developing and coordinating the Agency revisions to Executive Order 12065. During 1981 this Office also initiated the processing of over 3,000 new cases under the Freedom of Information and Privacy Acts and the mandatory classification review requests. In addition, we strengthened our information handling program by incorporating most of the Agency's information and handling positions into a separate career subgroup. Through this action we can provide a cadre of employees specializing in information handling matters with professional development and more varied career opportunities.

II. RELATIONS WITH CONSUMERS

The bulk of our customers are within the Agency. The principal area of service to other government agencies is in the communications field. Relations with our customers in this area are excellent; the support provided by the Office of Communications has been timely, responsive, and efficient.

III. FUTURE RESEARCH AND DEVELOPMENT PLANS

The Administration Directorate is pursuing a research and development program utilizing state-of-the-art technologies to enhance physical security capabilities and information processing systems. The program includes data communications security and addresses detection and prevention of system penetration, data base encryption, and compartmentation of computer accessible information. Research activities will also address the problem of protection of newer classes of office equipment from RF interrogation and will keep the Agency abreast of advances in TEMPEST or other technologies to protect Agency information systems. The program provides for the development of new communications technologies such as: "smarter" HF, satellite and mixed-media communications terminals, as well as the use of graded fibre optics for high bandwidth communications. In text processing we are seeking software designs to efficiently process digitally stored textual information. In data base management we continue to seek new and easier access, retrieval, and processing of stored information; graphics and alphanumeric displays; and computer-aided instruction. This program addresses the prevention of unauthorized copying of sensitive documents. And finally, our program continues efforts to improve polygraph utilization by improving accuracy, detection and neutralizing countermeasures, [REDACTED]

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IV. PRESENT AND PROJECTED RESOURCE NEEDS

The Office of Communications has drafted a comprehensive plan to modernize our communications worldwide. Modernization is essential to enhance the collection and timely dissemination of intelligence and to accommodate the use of automatic information handling systems in the field. Modernization is also vital if we are to ensure the continuity of communications under various contingency conditions. We have continued to assist a number of European nations participating in [REDACTED] in developing technical

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specifications for a long-range, low-power, high frequency radio system. This system will be issued [REDACTED]

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The need for recapitalization has been alluded to several times in this presentation. Capital improvements are required to ensure that our present facilities and utilities remain reliable and responsive to our operations. Additional resources will be required in order to continue with our plan to centralize Agency activities on the Headquarters compound, which ultimately will eliminate the present inefficiency and security risks inherent in the present decentralized configuration.

Because of limited resources over the recent past, the Agency has not been able to make maximum use of data processing technology. Many of the Agency's present data systems are only partially automated and many systems are approaching obsolescence. An injection of both funds and personnel is sorely needed in this area.

If we are to keep pace with the challenges that confront us in all of the support areas, we must be able to take on board personnel to replace the number of experienced Directorate personnel who have left the Agency over the past five years. We simply cannot afford to wait until the requirements for support from the expansion of the Agency's collection and production activities are upon us. Given the limited lead time currently available to us, we frequently find ourselves in a reactionary mode, taking resources from one essential activity to support another. We are making a concentrated effort to work with the other directorates to determine their support requirements as far in advance as possible. Assuming that the Directorate of Administration's FY-1983 program gets through the approval process intact, an appropriate level of resources, especially funding for recapitalization, will be available to support the Agency's rebuilding efforts.

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